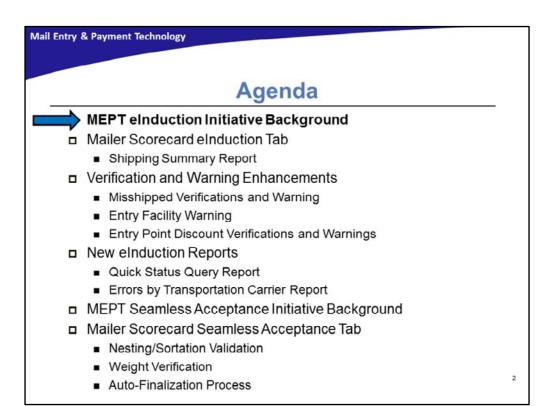
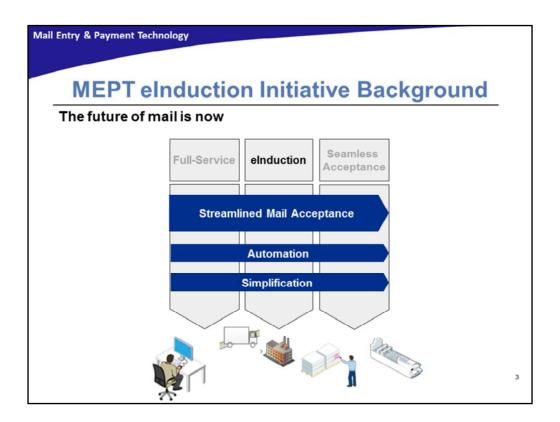
PostalOne! Release 40 January 2015

elnduction and Seamless Acceptance 1/23/2015

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Welcome to the eInduction and Seamless module of the January 2015 *PostalOne!* Release training. This module will provide background on the enInduction and Seamless Acceptance programs, updates to the Mailer Scorecard and new reports. Let's begin with eInduction.

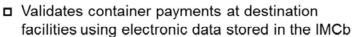


The Postal Service has three key initiatives to streamline the acceptance, induction, and verification of commercial mailings, Full-Service, elnduction and Seamless Acceptance.

MEPT elnduction Initiative Background

elnduction Overview

- Automated entry process
- □ Intended to replace current hard copy PS Forms 8125 and 8017 used for drop shipments of origin and destination





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Did you know that 55 percent of mail is drop-shipped directly to a USPS mail processing facility? Given this statistic the Postal Service created elnduction. elnduction is an automated entry process intended to replace the current hard copy PS Forms 8125 and 8017 clearance documents used for drop shipments of origin and destination. The paperless induction method validates container payments at the destination facilities by using electronic data stored in the Intelligent Mail Container Barcodes (IMCb). This means less manual administrative work and timely induction of mail with fewer bottle necks caused by using hardcopy documents.

MEPT elnduction Initiative Background

elnduction Benefits

Mailers:

- □ Eliminates hard copy PS Form 8125/8017
- Improves mail acceptance process
- Reduces possibility of rejection of shipment by an entry facility

USPS:

- Eliminates need to sign, round-date and manually verify container counts match PS Form 8125/8017
- Provides greater flexibility by allowing containers to be inducted as they are received on dock

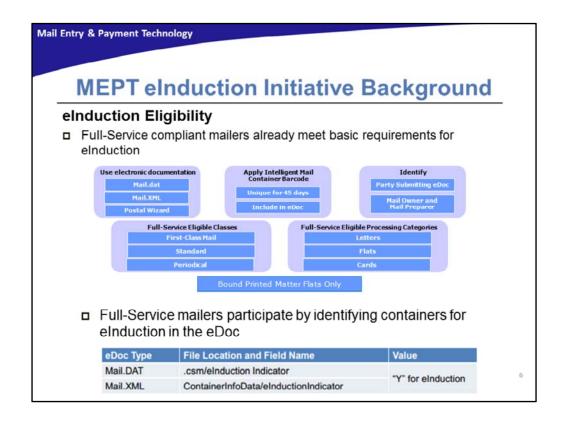
Both:

- Cost-effective
- Automated validation system
- Efficient and streamlined process for mail induction

Mailers who use eInduction enjoy the benefits of a reduced number of hard copy PS Forms 8125/8117 to print and have "round stamped," and the ability to reduce and/or eliminate the rejection of shipments by an entry facility due to errors with the PS 8125 forms. Note, this is a benefit even if you ship mail to a consolidator under a Drop Shipment Manifest System (DSMS) agreement.

There are also several benefits for the Postal Service. For example, paperless induction eliminates the need to manually verify the number of containers for a given shipment matches the container count on the paper forms. The elnduction process allows for greater flexibility by changing the induction process from the acceptance or rejection of an entire shipment to the acceptance or rejection of each individual container. So, if a container is expected, it can be moved to the induction area immediately without waiting for the wholes shipment to be unloaded.

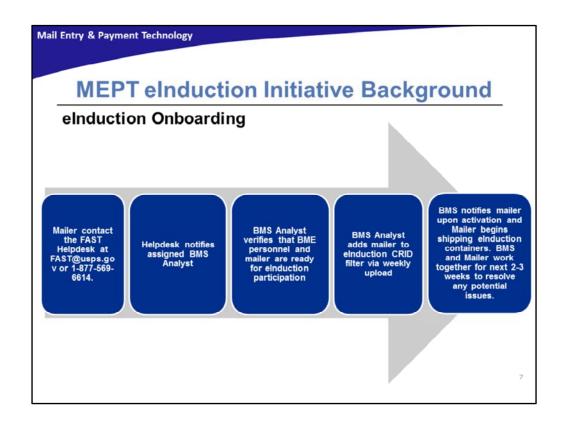
This technology provides both mailers and the Postal Service with a cost-effective, automated validation system, and an efficient and streamlined process for mail induction.



Mailers that are Full-Service compliant already meet the basic requirements for elnduction.

As illustrated here, mailers use electronic documentation (eDoc), apply unique intelligent mail container barcodes, that are not reused for at least 45-days, and identify the eDoc submitter, Mail Owner and mail preparer.

elnduction is available for First-Class Mail postcards letters and flats. Standard Mail and Periodicals letters and flats, and Bound Printed Matter flats. The eDoc is submitted via Mail.dat, Mail.XML or Postal Wizard. Mailers just need to identify their containers as elnduction in the eDoc. Note, for Postal Wizard each elnduction destination is represented on a Postage Statement.



After fulfilling the requirements to participate in elnduction the mailer follows this onboarding process:

- The mailer contacts the FAST Helpdesk at FAST@usps.gov or 1-877-569-6614
- The Helpdesk notifies assigned BMS Analyst that mailer has decided to participate
- The BMS Analyst verifies that BME personnel and mailer are ready for elnduction participation
- The BMS Analyst adds mailer to elnduction CRID filter via a weekly upload
- The BMS Anaylst notifies mailer upon activation and Mailer begins shipping elnduction containers. BMS and Mailer work together for next 2-3 weeks to resolve any potential issues.

For eligible mailers not participating in elnduction, we strongly encourage BMEU acceptance employees to help mailers begin this process.

MEPT elnduction Initiative Background

elnduction Process

- Pre-Induction
 - Mailer prepares mail with unique Intelligent Mail Containers barcodes (IMcb)
 - Mailer identifies elnduction containers in eDoc, uploads to PostalOne!
 - Acceptance employee uses eDoc to verify eInduction container count
 - Acceptance employee finalizes postage statement
 - eInduction module in PostalOne! creates container records, automatically transmits records to the Surface Visibility (SV) and FAST systems
- Induction
 - Mailer takes containers to destination facility based on FAST appointment
 - USPS dock employee scans container barcodes, SV scanners verify payment and induction location. Non-SV sites scanners collect data.
- Post-Induction
 - SV and Non-SV scanned information uploaded
 - Additional electronic verifications performed



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elnduction provides the Postal Service with a process to measure the quality and accuracy of drop-shipment preparation. At a high-level, a typical elnduction process proceeds through the following steps:

Pre-Induction

- Mailer prepares mail with unique Intelligent Mail Container barcodes.
- Mailers dropping at USPS Processing Facilities and Hubs schedule appointments online through the FAST system. Mailers dropping at DDUs do not schedule appointments.
- Mailers identify aka flag their containers as elnduction in Mail.Dat, Mail.XML and PostalWizard (PW).
- The Acceptance employee uses eDoc to verify eInduction container counts, perform any require verifications and finalize the postage statement.
- The elnduction module in *PostalOne!* creates container records and automatically transmits these records to the Surface Visibility (SV) and FAST systems.

Induction

- Mailer takes mail to destination facility based on FAST appointment.
- USPS dock employee scans each container barcode. SV scanners verify payment status and induction location providing dock employee with accept or reject status of container. At Non-SV sites scanners simply collect data, all containers are accepted and all validations are performed post induction.

Post Induction

- Scanned information is uploaded
- Additional validations detect the presence of duplicate barcodes and measure whether the containers inducted at a SV facility are entitled to the entry point discount claimed in the eDoc. For containers inducted at a Non-SV facilities, all validations occur post-induction.

MEPT elnduction Initiative Background

elnduction Verifications

 PostalOne! compares scans collected at the point of induction to information submitted in the eDoc and performs five automated verifications, which answer the following questions

Post-Induction Verifications						
Payment	Did the mailer pay for container within 10 days of induction?					
Extra (Undocumented)	Did the mailer submit an eDoc within 10 days of induction?					
Mis-shipped Container	Did the mailer induct the container at the correct location per the eDoc?					
Duplicate Container	Did the mailer apply unique barcodes to each container within a 45-day period?					
Entry Point Discount	Based on where the container actually dropped, did the mailer earn the entry point discount claimed on the eDoc?					
Zone Discount	Based on how far the container traveled relative to the origin, did the mailer earn the zone discount claimed on the eDoc?					

Now lets discuss the elnduction verifications. These are automated verifications performed by the system.

The system uses six questions to verify if a mailer's containers were paid for at the correct rate and dropped at the correct location. To verify payment, the system checks to see if the mailer paid for the container within 10 days of induction. Also, the systems performs an extra or undocumented verification to see if the mailer submitted an eDoc, within 10 days of induction, for the appropriate amount of postage. The misshipped verification validates that the mailer inducted the container at the correct location based on the eDoc. The duplicate container verification ensures a mailer has a unique barcode that has not been used within the last 45-days on each container. This validation also helps to ensure payment for all containers. Based on the facility where the container was drop shipped, the Entry Point Discount validation ensures the mailer qualified for the entry point discount claimed on the eDoc. The Zone Discount validation verifies the mailer qualified for the zone discount claimed on the eDoc, based the distance the container traveled relative to the origin.

Validations that fail will show up on the elnduction tab of the Mailers Scorecard, which we will discuss in a minute.

MEPT elnduction Initiative Background

Error Thresholds

- □ Two thresholds:
 - Mailer Contact initiates a warning to mailers that quality is low
 - Egregious indicates that there is a major quality issue; additional postage may be assessed

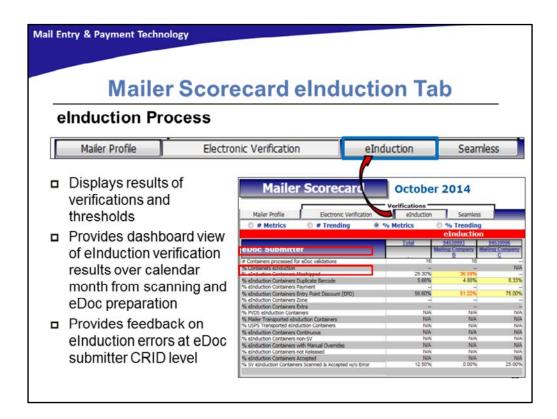
eInduction Error Thresholds						
Error	Mailer Contact Threshold	Egregious Threshold	Additional Postage Assessment			
Payment and Undocumented (extra)	0.00%	0.00%	Containers without proof of payment will be assessed the 30-day average postage for containers mailed by the eDoc submitter CRID.			
			In August 2014, mailers fully participating in Seamless Acceptance will not be invoiced for payment errors on containers. These containers will still show as unpaid in reporting; no dollar calculation or counted against threshold.			
Misshipped	1.05%	2.00%	Containers with a Misshipped error will be assessed the difference between the origin entry rate and the original drop-ship discount provided.			
Duplicate	0.17%	0.33%	Containers that are duplicate will be assessed the postage paid for the original instance of the duplicate container to all subsequent duplicates.			
Zone	0.01%	0.02%	Containers with a zone error will be assessed the difference between the actual zone discount and the claimed zone discount.			
Entry Point Discount	TBD	TBD	Containers with a zone error will be assessed the difference between the actual entry discount and the claimed entry discount.			

Each month, the Postal Service measures mailer performance against the five validations and compares it to set thresholds. When a threshold is exceeded an error is created. The errors for Payment, Misshipped, Duplicate, and Zone errors are shown in the table. Currently, there is no threshold established for Entry Point Discount errors.

There are two sets of thresholds established for mailers participating in the eInduction program; Mailer Contact and Egregious. The Mailer Contact threshold initiates a warning to alert the mailer that mail quality is low. The Egregious threshold indicates there is major quality issues and additional postage may be assessed.

Mail Entry & Payment Technology **Agenda** MEPT eInduction Initiative Background Mailer Scorecard eInduction Tab Shipping Summary Report Verification and Warning Enhancements ■ Misshipped Verifications and Warning Entry Facility Warning Entry Point Discount Verifications and Warnings New elnduction Reports Quick Status Query Report ■ Errors by Transportation Carrier Report ■ MEPT Seamless Acceptance Initiative Background ■ Mailer Scorecard Seamless Acceptance Tab Nesting/Sortation Validation Weight Verification Auto-Finalization Process

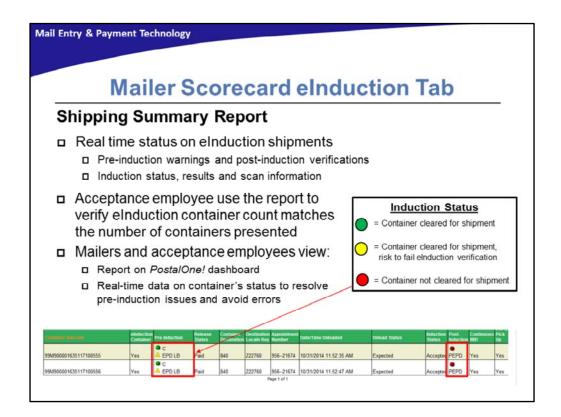
We have covered the overall elnduction process and onboarding, and provided a high-level review of the elnducation mail acceptance, verification processes, and established thresholds. Now let's review how the information relates to the elnduction Mailer Scorecard.



The elnduction tab of the Mailer Scorecard displays the results of the errors and thresholds, providing a dashboard view of the elnduction validation results over a calendar month from scanning and eDoc preparation. Mailers are able to compare the mail quality results with the established thresholds in the "Percent Metrics" to see which areas require improvement.

The Mailer Scorecard is available for both eDoc Submitters (Mail Preparers) and Mail Owners. Mail Owners will only see eInduction verification results for containers where they have pieces in which they are identified as the Mail Owner. Feedback on eInduction errors is provided at the eDoc Submitter CRID level.

A view of the scorecard also exists for Mail Owners. It shows the data grouped by each mail preparer used by the Mail Owner. The display of data is the same.



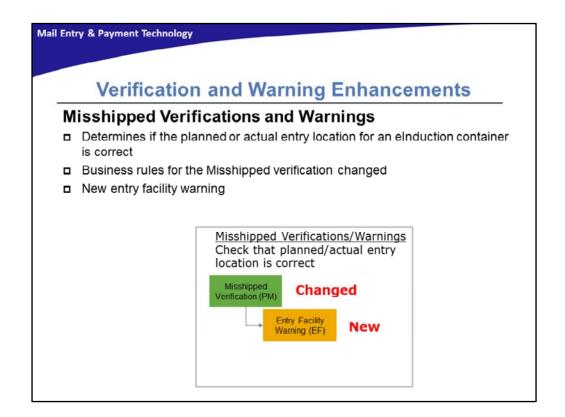
As mentioned in the overview, eInduction mailings require the use of an eDoc. The Shipping Summary Report provides real-time information about eInduction mailings. Mailers and acceptance employees can view this report on the *PostalOne!* dashboard after the eDoc has been uploaded. The acceptance employee uses the Shipping Summary Report to verify the eInduction container count matches the number of containers presented. If the number of containers listed in the Shipping Summary Report is less than the total number of containers presented a PS Form 8125 submitted for the additional containers.

Mailers and acceptance employees can also use the Shipping Summary Report to view real-time data on a container's status before shipment allowing issues to be resolved pre-induction and avoid errors on the Mailer Scorecard. The real-time data also provides a complete view of the containers as they move through the induction process.

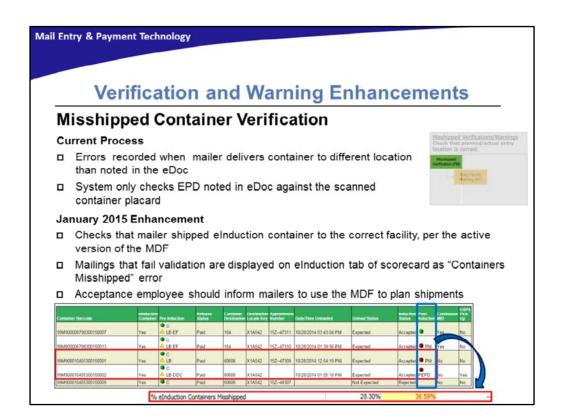
Now let's review the January enhancements.

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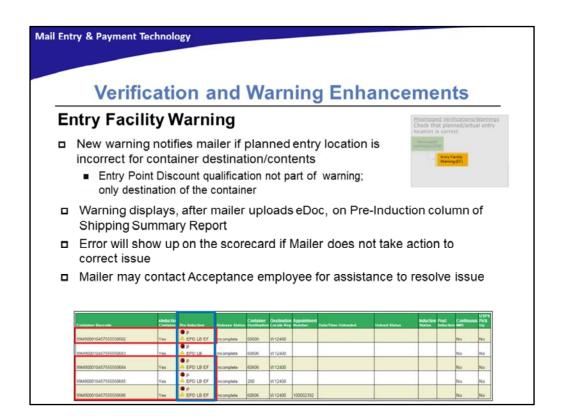
The January 2015 enhancements includes enhancements to the verification errors or warnings for Misshipped and Entry Point Discount, Entry Facility Warning and Entry Point Discount.



The Misshipped verification determines if the planned or actual entry location for an elnduction container is correct. With this release, the business rules for the Misshipped verification have changed and a new entry facility warning has been added.

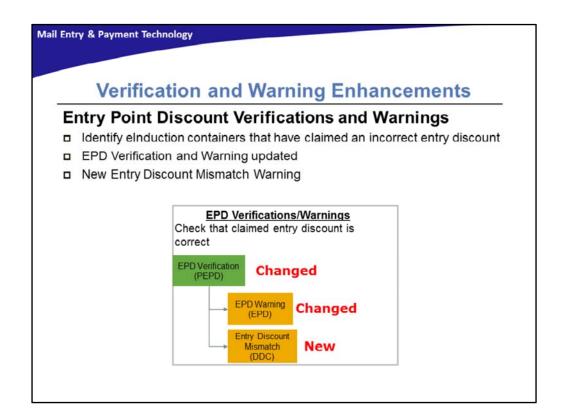


Currently, Misshipped verification errors are recorded when the mailer delivers a container to an entry point location that is different than the location noted in the eDoc. Today, the system only checks the entry point noted in the eDoc against the scanned container placard. In January, *PostalOne!* will record Misshipped verification errors when the active version of the mail direction file indicates the mailer delivered the container to the incorrect facility. Mailings that fail the validation are displayed on the eInduction tab of the Mailer Scorecard as a "Containers Misshipped" error as displayed on the screen.

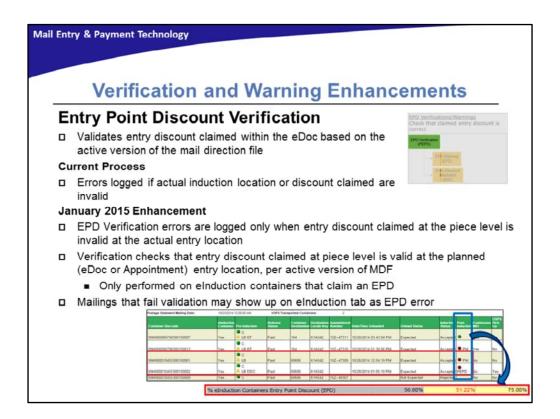


To continue with our discussion of Misshipped Verification, a new warning has been added to the Shipping Summary Report to notify mailers the planned entry location is incorrect. The new Entry Facility Warning will compare the planned entry location to the active version of the mail direction file. Please note, the entry point discount qualification is not part of the warning. Only the destination of the container is relevant for this warning.

This warning will display, after the eDoc is upload, on the pre-induction column of the Shipping Summary Report. If the mailer does not take corrective action to resolve the issue the container is at risk of having a Misshipped verification error at induction. The mailer may contact the acceptance employee for assistance to resolve the issue.

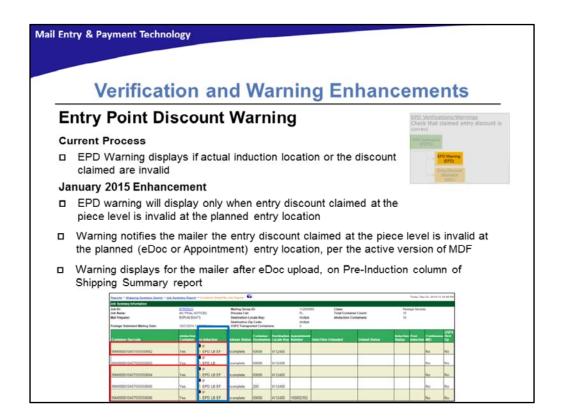


The Entry Point Discount verifications and warnings identify eInduction containers that have claimed an incorrect entry discount. Both the EPD Verification and Warning have been updated, and a new Entry Discount Mismatch warning has been created with the January release.

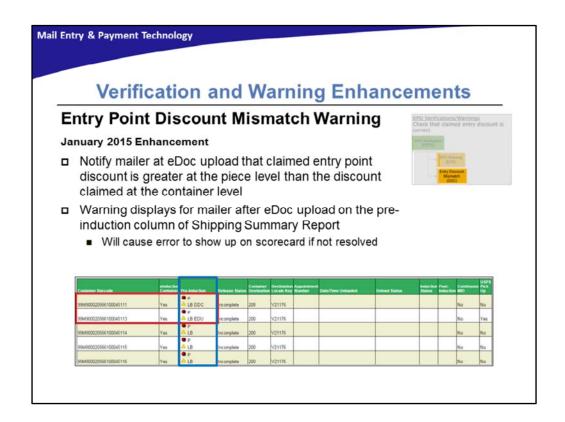


Where as the Misshipped verification validates the drop-ship location, the entry point discount verification (EPD) validates the entry discount claimed within the eDoc based on the active version of the mail direction file.

Currently, EPD verification errors are logged if the actual induction location or discount claimed are invalid. With the January release, the EPD verification errors are logged only when entry discount claimed at the piece level is invalid at the actual entry location. The EPD verification is not performed on eInduction containers that fail the Misshipped verification. Mailings that fail this validation may cause an EPD error to show up on the eInduction tab of the Mailer Scorecard.



As with the EPD verification, the EPD warning checks that the planned rather than actual entry facility. After a mailer has uploaded their eDoc, this warning displays on the Shipping Summary Report under the Pre-Induction column, as shown in the blue box below.

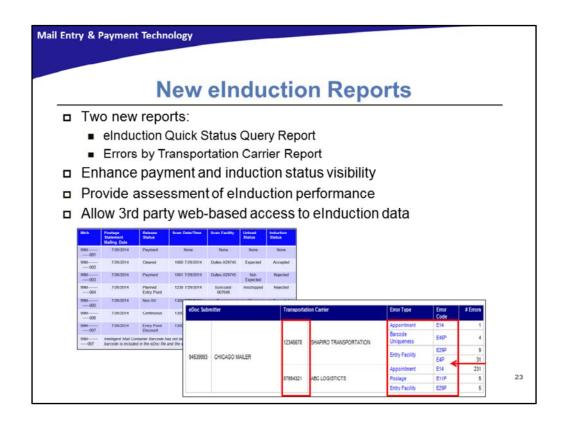


Now we will discuss the new warning that will be added to the *PostalOne!* dashboard for Entry Point Discount Mismatch errors.

Containers with EPD mismatch warnings will alert mailers that the mailing is at risk of failing the EPD verification at induction. The new warning will notify the mailer after the eDoc upload that the entry point discount claimed on the mailpiece is greater at the piece level than the discount that is claimed at the container level. The mailer will be able to view this warning on the pre-induction column of the Shipping Summary Report, as shown in the blue box below. If the mailer does not take corrective action to resolve this issue an error will be logged on the Mailer Scorecard.

Mail Entry & Payment Technology **Agenda** MEPT eInduction Initiative Background Mailer Scorecard eInduction Tab Shipping Summary Report Verification and Warning Enhancements ■ Misshipped Verifications and Warning Entry Facility Warning Entry Point Discount Verifications and Warnings New elnduction Reports Quick Status Query Report ■ Errors by Transportation Carrier Report ■ MEPT Seamless Acceptance Initiative Background ■ Mailer Scorecard Seamless Acceptance Tab Nesting/Sortation Validation ■ Weight Verification Auto-Finalization Process

The January 2015 enhancements includes enhancements to the verification errors or warnings for Misshipped and Entry Point Discount.



Now we will talk about eInduction reporting enhancements. In January 2015, USPS will add two new reports the eInduction Quick Status Query Report and the Errors by Transportation Carrier Report. These reports will enhance the payment process and provide mailers with visibility to induction status to improve eInduction performance. Both reports will allow web-based access to eInduction data by third party entities.

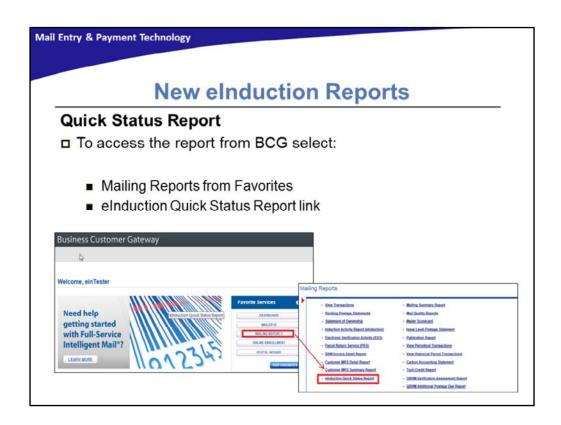
New elnduction Reports

Quick Status Report

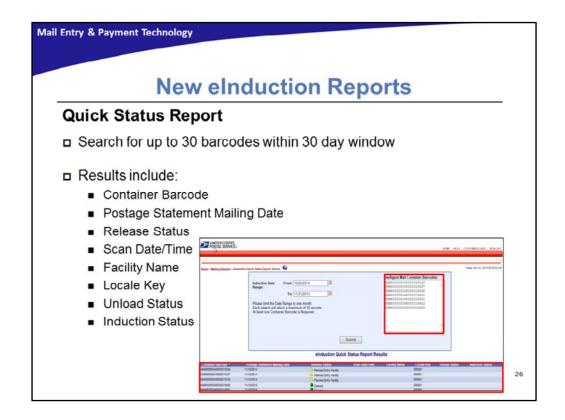
- Snapshot of Shipping Summary Report
- □ Real-time payment status and induction status for up to 30 IMcB
- □ Displays all elnduction and non-elnduction containers
- Allows mailer to search for containers regardless of elnduction status
- □ Pre-induction and scanned information on elnduction containers

The eInduction Quick Status Query report is a snapshot of the information found in the Shipping Summary Report. The report will provide real-time payment and induction status on the *PostalOne!* dashboard for up to 30 Intelligent Mail Container Barcodes. It will display all eInduction and non-eInduction containers and allow a mailer to search for containers regardless of the eInduction status. The report will also provide mailers with pre-induction and scanned information on an eInduction container.

Future enhancements to this report will include an ability to perform an Intelligent Mail Container Barcodes upload and download report results.

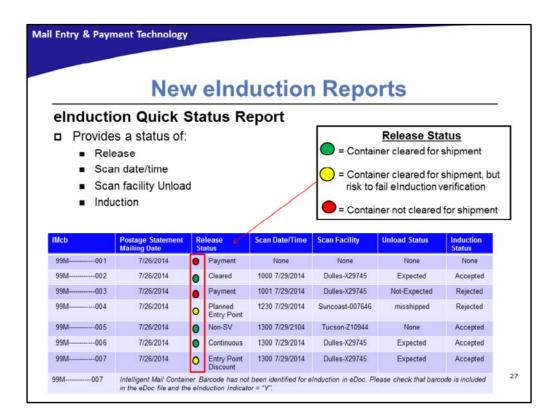


Should a mailer ask how to access the Quick Status Query Report, here are the instructions. From the BCG homepage select Mailing Reports under Favorites. Then select the elnduction Quick Status Report from the Mailing Report screen.



From the eInduction Quick Status Report search screen the mailer can search up for up to 30 barcodes within a 30 day window to receive information such as:

- Container Barcode
- Postage Statement Mailing Date
- Release Status
- Scan Date/Time
- Facility Name
- Locale Key
- Unload Status
- Induction Status



The report will provide a status of the release, scan date/time, scan facility, unload, and induction for elnduction containers. Under Release Status, the mailer can see related warnings and verifications. Green indicates a container is cleared for shipmen. Yellow indicates a container can be shipped, but is at risk to fail elnduction verification. And red indicates a container is not cleared for shipment.

Note, it does not provide error information. To view details on container errors the mailer will need to access elnduction tab on the Mailer Scorecard.

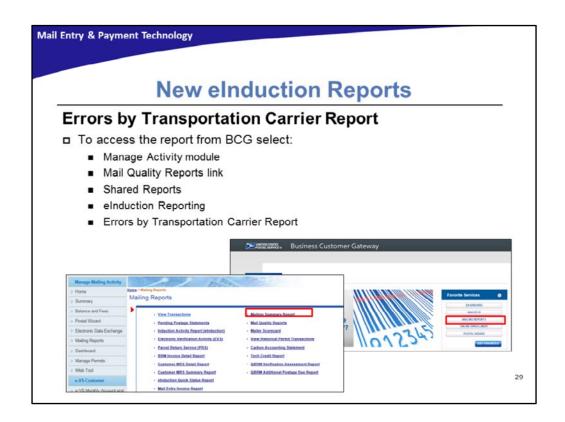
New elnduction Reports

Errors by Transportation Carrier Report

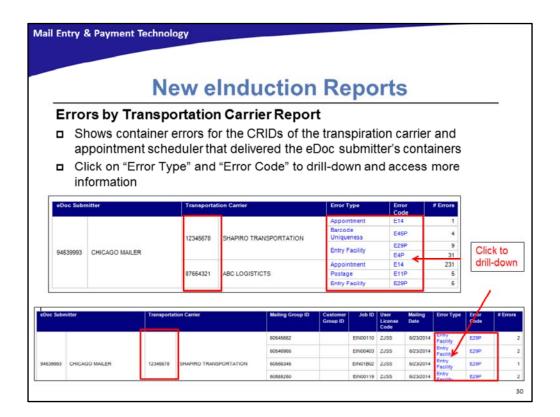
- Displays the following:
 - eInduction Misshipped errors
 - Errors broken out by individual jobs
 - Transportation carrier CRIDs and appointment scheduler CRIDs
- eDoc submitter can view container errors for all:
 - Transportation carrier CRIDs
 - Appointment scheduler CRIDs
- Transportation carriers and appointment schedulers can only view container errors for what they delivered

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Now, we will talk about the Errors by Transportation Carrier Report. This report will display elnduction Misshipped errors, errors broken out by individual jobs, as well as CRIDs for the transportation carrier and appointment scheduler. An eDoc submitter will be able to view container errors for all transportation carrier CRIDs and appointment scheduler CRIDs that delivered their mail. However, transportation carriers and appointment schedulers will only be able to view errors for the containers they delivered.



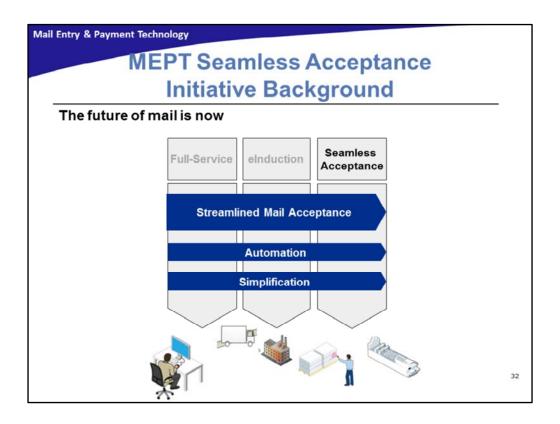
To assist mailers with access to the report from the BCG, go to the Manage Mailing Activity module then the Mail Quality Reports link. Next click on Shared Reports then elnduction Reporting then Errors by Transportation Carrier Report.



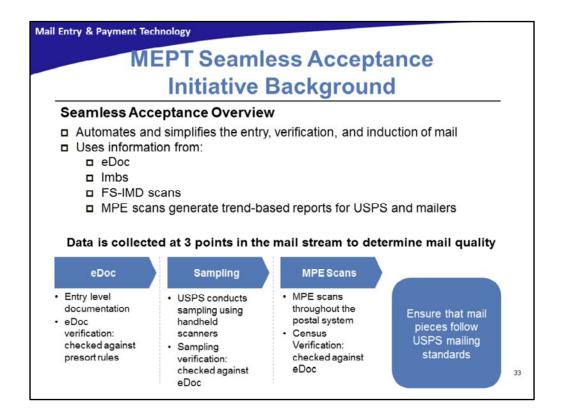
Here is an example of the new Errors by Transportation Carrier Report, showing the errors for the transportation carrier CRIDs and appointment scheduler CRIDs that deliver the eDoc submitter's containers. Clicking on the data in the "Error Type" and "Error Code" columns allows the viewer to drill-down to access more information on the errors listed in the report.

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We have covered the overall elnduction process and onboarding. The next section will provide a high-level review of the elnducation mail acceptance, verification processes, established thresholds and how the information relates to the elnduction Mailer Scorecard.



Now let's talk about Seamless Acceptance and the related January updates.

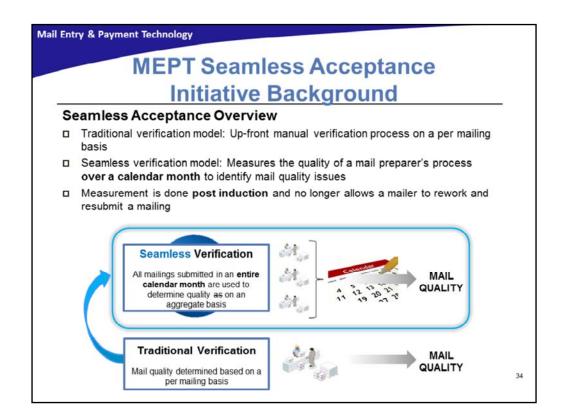


Seamless Acceptance, or Seamless, is a program that automates and simplifies the entry, verification, and induction of commercial mail through the use of electronic documentation (eDoc), Intelligent Mail barcodes (IMbs), FS-IMD and MPE scans. The information is then compiled and viewable to both the USPS and mailers through trend-based reporting.

As the mail flows through the mailstream, data is collected at 3 points in order to obtain a complete picture of the mail quality. The first point of data collection is from the mailer's submitted electronic documentation, also known as an eDoc. The eDoc is checked against presort rules and the active Mail Direction File. The second point of data collection is manual sampling by USPS at either the Detached Mail Unit (DMU) or the Business Mail Entry Unit (BMEU). The last point of data collection is from scans taken by Mail Processing Equipment scanning, which occurs continuously as the mail moves through the postal system.

Mail is then verified by reviewing data in the eDoc (known as eDoc Verification), then comparing it to the data from sampling (known as sampling verification) and MPE scans (known as census verification).

The information provided by Seamless over each calendar month ensures that USPS mailing standards are being followed and that revenues are protected.



Seamless Acceptance is a fundamental shift from the traditional verification model which was an up-front manual verification process on a per mailing basis. Seamless measures the quality of a mail preparer's process **over a calendar month** to identify mail quality issues. Measurement is done **post induction** and no longer allows a mailer to rework and resubmit a mailing. Seamless Acceptance is a fundamental shift from the traditional verification model which was an up-front manual verification process on a per mailing basis.

MEPT Seamless Acceptance Initiative Background

Seamless Acceptance Benefits

- Longer mail production cycle resulting from less manual verifications
- Reduce time between acceptance and induction
- Automated and electronic verification reduces complexity
- Mail Quality Reports for Mailers and USPS
- Standardized acceptance and verifications across customers and mailing environments
- Improved feedback and identification of trends rather than isolated errors through the Mailer Scorecard and reports
- Auto-Finalization of electronic postage statements give mailers greater control



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Seamless provides the following benefits to the USPS:

- A longer mail production cycle, resulting from USPS manual verifications being limited to only the DMU or BMEU pre-induction steps
- Reduced time between acceptance and induction of the mail
- Automated and electronic verification allows more of the mail to be reviewed
- Mail Quality Reports are available for both mailers and the USPS so that quality can be improved
- Standardized verification procedures across customers and mailing environments, which results in reduced complexity of the verification process
- Greater feedback and identification of time-based trends by collecting data over an entire calendar month in the Mailer Scorecard and other reports, which minimizes penalizations resulting from isolated mailing issues
- Auto-Finalization of electronic postage statements give Mailers and eDoc Submitters greater control over postal payment

These benefits are achieved in part because data is transferred more freely between the different phases of commercial mail processing.

MEPT Seamless Acceptance Initiative Background

Seamless Requirements

- To participate in Seamless mailers must:
 - Meet requirements for Full-Service
 - Containers, handling unit, and pieces must have unique Intelligent Mail barcodes
 - First participate in Seamless Parallel -- an intermediate step -- to test preparing mail to meet Seamless Acceptance quality standards
- Parallel uses both traditional and Seamless verifications:
 - Each CRID is set to Seamless Parallel or Acceptance using the Seamless Admin Page by designated USPS personnel
 - After a mailing is uploaded to PostalOne!, eDoc validations can trigger warning messages and identify necessary changes to qualify for Seamless
 - USPS and mailers can evaluate and improve their mail quality, business processes, and software to Seamless quality standards

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Before attempting to participate in Seamless, mailers must ensure their mailings meet the following criteria: they must use electronic documentation and include piece level detail; 75% of their mail volume for the CRID activating must be Full-Service; mail must be in the First-Class Mail, Standard Mail, Bound Matter or Periodicals class and either letters, cards, or flats; and at least 98% of containers, handling units, and pieces must have a unique Intelligent Mail barcode.

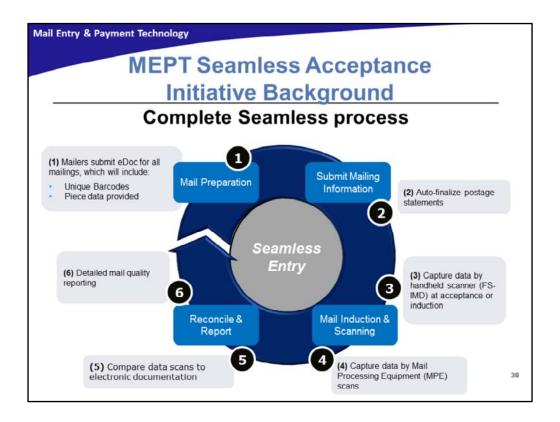
Mailers who wish to use Seamless are able to test out their mail preparation standards through the Seamless Parallel transitional step. Designated USPS personnel sets each CRID unique business location to Seamless Parallel or Acceptance using the Seamless Admin Page. During Seamless Parallel, mailers use both traditional and Seamless Acceptance and verification processes. If a mailing uploaded to *PostalOne!* has an incorrectly populated eDoc, eDoc validations will trigger warning messages. Seamless Acceptance verifications will not trigger additional postage and auto-finalization will not occur during Seamless Parallel. The mailing will still proceed through normal processing, but USPS and mailers will be able to identify necessary changes. This dual process allows USPS and mailers to evaluate and improve their mail quality, business processes, and software in order to prepare mail that meet Seamless Acceptance quality standards.

Mail Entry & Payment Technology MEPT Seamless Acceptance **Initiative Background Seamless Parallel** Provides mailers opportunity to start reviewing Seamless Acceptance data in Mailer Scorecard reports without changing existing verification policies and Allows mailers to receive feedback on if eDoc meets Seamless Acceptance and mail barcoding requirements ■ Mailers transition to Seamless Acceptance if able to maintain mail quality measurements below the recommended threshold for error percentages for one calendar month Seamless Seamless PARALLEL **ACCEPTANCE** Traditional verifications performed Traditional verifications NOT performed Seamless verifications performed Seamless verifications performed Seamless verifications do NOT result in Seamless verifications result in additional additional postage Auto-finalization does NOT occur Auto-finalization occurs

As we just mentioned in the previous slide, Seamless Parallel is an intermediate step mailers must take before fully participating in Seamless Acceptance. Mailers must participate in Seamless Parallel for at least 1 month. During Parallel, both traditional verifications (as prompted by PBV) and Seamless verifications will be performed. Seamless Acceptance verifications will not result in additional postage during Parallel and autofinalization of postage statements will not occur. This will provide mailers the opportunity to start reviewing Seamless Acceptance data in the Mailer Scorecard reports without changing existing verification policies and procedures.

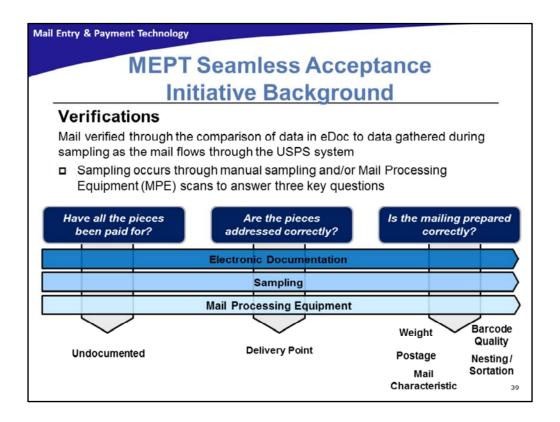
Seamless Parallel also allows mailers to receive feedback on whether eDoc meets Seamless Acceptance and mail barcoding requirements. There are a series of eDoc validations that are run when the mailing is initially uploaded to *PostalOne!*. Warnings generated in Seamless Parallel will not prevent the mailing from being accepted by *PostalOne!*. These warning messages will help to identify changes needed to eDoc generation to qualify for Seamless Acceptance in the future.

eDoc and unique barcodes are required for all mail, including single piece volume, at a facility before transitioning out of Seamless Parallel. Mailers are transitioned from Seamless Parallel to Seamless Acceptance if they are able to maintain mail quality measurements below the recommended threshold for error percentages for one calendar month.



To recap, this diagram shows the complete Seamless process. The process involves steps in:

- Mail preparation
- Submitting mailing information
- Mail induction and scanning
- · Reconciliation and Reporting



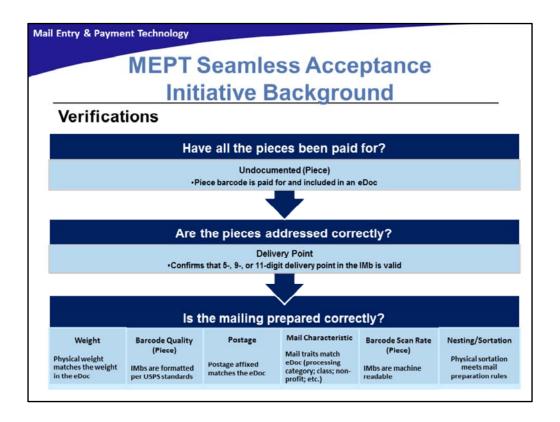
Seamless Mail is verified through the comparison of information in the eDoc to the data collected through Mail Processing Equipment (Census) scans and through FS-IMD Sampling performed by a BME Acceptance employee. The verifications performed during Seamless Acceptance are done to answer three key questions.

- Have all the pieces been paid for?
 - This question is answered by the performance of an "Undocumented" verification.
- Are the pieces addressed accurately?
 - This question is answered by the performance of a "Delivery Point" verification.
- Is the mailing prepared correctly?
 - This question is answered by the performance of several verifications including Nesting/Sortation, Postage, Weight, Mail Characteristics (Content, Processing Category), and Barcode Quality verifications.

or Thresho	7-2-6-1	<u>ative</u>	Bacl	kground	<u> </u>	
Verification	eDoc	Census	Sampling	Mailer Contact Threshold	Egregious Threshold	
Undocumented		х	х	0.5%	0.8%	
Delivery Point	X			2%	5%	
Move/Update		Х		0.05%	0.15%	
Nesting/Sortation (MPE)		Х		1%	3%	
Nesting/Sortation (eDoc)	х			2%	4%	
Nesting/Sortation (Sampling)			х	3%	5%	
Mail Characteristic			х	0.1%	0.5%	
Postage			Х	2%	5%	
Mailer Contact Threshold initiates a warning to mailers that quality is low				Egregious T	s a major quality ostage may be	

To help answer the three key questions, information in the eDoc is verified and checked against data collected through Mail Processing Equipment (Census) scans and through FS-IMD Sampling performed by an acceptance employee. These verification results are compiled and displayed on the "Seamless" tab of the Mailer Scorecard. For verifications that exceed an established threshold, an error will display.

The Postal Service has established two sets of thresholds for mailers participating in the Seamless Acceptance program: Mailer Contact and Egregious. The Mailer Contact threshold initiates a warning to alert the mailer and the BMEU that mail quality is low. The Egregious threshold indicates there is a major quality issues and additional postage may be assessed.



Now lets dig a little deeper into each of the verifications.

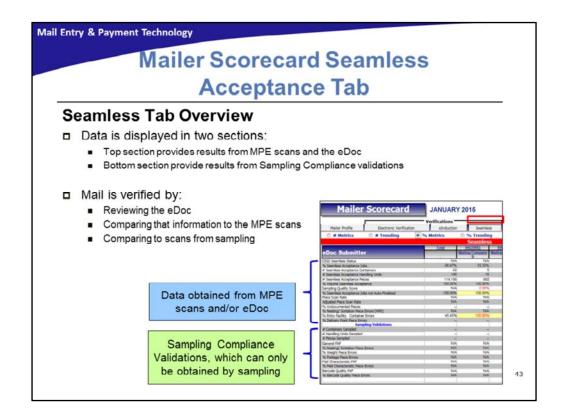
To ensure all Undocumented Piece and Postage ensure that payment has been received for all of the pieces by using the

- Delivery Point confirms that 5-, 9-, or 11-digit delivery point in the IMb is valid
- Weight ensures the physical weight matches the weight in the eDoc.
- Postage ensures the postage affixed matches the eDoc.
- Mail Characteristics ensures the mail traits match eDoc for example is the processing category and class correct?
- Barcode Quality ensures the IMbs are formatted per USPS standards
- Nesting/Sortation ensures the physical sortation meets mail preparation rules.
- and Barcode Scan Rate confirms that the IMbs are machine readable

The verification results are compiled and displayed on the Seamless tab of the Mailer Scorecard. For verifications that exceed an established threshold, an error will display.

Mail Entry & Payment Technology **Agenda** MEPT eInduction Initiative Background Mailer Scorecard eInduction Tab Shipping Summary Report Verification and Warning Enhancements ■ Misshipped Verifications and Warning Entry Facility Warning Entry Point Discount Verifications and Warnings New elnduction Reports Quick Status Query Report ■ Errors by Transportation Carrier Report ■ MEPT Seamless Acceptance Initiative Background Mailer Scorecard Seamless Acceptance Tab Nesting/Sortation Validation ■ Weight Verification Auto-Finalization Process

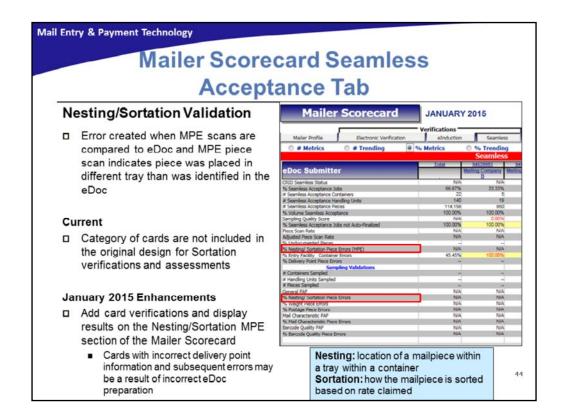
We have covered the overall Seamless Acceptance process, onboarding as well as mail acceptance, verification and established thresholds. Now let's review how this information relates to the Seamless Acceptance Mailer Scorecard.



The Seamless tab provides a dashboard view of the results of the Seamless Acceptance verifications from eDoc, manual sampling, and mail processing scans over a calendar month. This tab is broken into two main types of metrics: the top section displays data obtained from the mail processing equipment (MPE) scans and/or eDoc, and the second section displays metrics strictly related to Sampling Compliance validations.

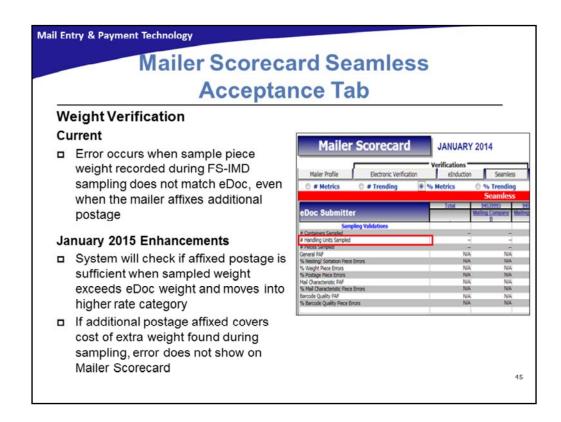
As mentioned previously, mail is verified by reviewing the data within the eDoc (noted as eDoc on the scorecard), comparing that information to mail MPE scans and to the scans from sampling (noted as sampling on the scorecard). These three verifications provide a complete view of mail preparation.

Now let's review the Nesting/Sortation errors, why they would occur and the January enhancements.



[VO]: A Nesting/Sortation error is created when MPE scans are compared to eDoc and the MPE piece scan indicates that the piece was physically placed in a different tray in the mailing than was identified in the eDoc. Nesting refers to the location of the mailpiece within a tray within a container, and Sortation refers to how the mailpiece is sorted based on the rate claimed.

Currently, mailings with the processing category of cards are not included in the original design for Sortation verifications and assessments. The January 2015 enhancements will add card verifications and display results on the Nesting/Sortation MPE section of the Mailer Scorecard. Cards with incorrect delivery point information and subsequent errors may be a result of incorrect eDoc preparation.



[VO]: Now that we have finished discussing the Nesting/Sortation update, let's discuss the last change to be implemented in January 2015, weight verification.

In the current state, an error shows up on the Mailer Scorecard for all pieces when the sample piece weight does not match the weight listed in the eDoc exactly, even when the mailer affixes additional postage to account for differences in rates.

With the January 2015 enhancement, the system will check if affixed postage is sufficient when the weight sampled exceeds the weight listed in the eDoc and moves into a higher rate category. Errors only show up on the Mailer Scorecard for overweight pieces when the piece lacks sufficient postage for the actual weight.

Therefore, if a mailer affixes additional postage onto the mailpiece to account for the difference in rates, a weight error may not show up on the Mailer Scorecard even if the weight of the sample is different from the weight listed in the eDoc.